

**SIDNEY STRICKLAND AND ASSOCIATES, PLLC**

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SIDNEY L. STRICKLAND, JR.  
[Sidney.Strickland@stricklandpllc.com](mailto:Sidney.Strickland@stricklandpllc.com)

September 19, 2006

217576

Vernon A. Williams, Secretary  
Surface Transportation Board  
Case Control Unit, Suite 713  
1925 K Street, N.W.  
Washington, DC 20423-0001

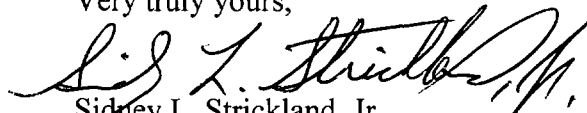
**Re: Finance Docket No. 34927, Coast Belle Rail Corp. d/b/a Santa Maria  
Valley Railroad—Operation Exemption—Line of Coast Belle Rail, LLC**

Dear Secretary Williams:

Enclosed please find an original and 10 copies of the Verified Notice of Exemption under 49 C.F.R. 1150.31., *et seq.* for filing with the Board in the above-referenced matter.

Also enclosed is a diskette containing the Notice and Summary and a check in the amount of \$1,500 for the filing fee.

Very truly yours,

  
Sidney L. Strickland, Jr.  
Attorney for Coast Belle Rail Corp.

**FEE RECEIVED**  
SEP 19 2006  
SURFACE  
TRANSPORTATION BOARD

**ENTERED**  
Office of Proceedings  
SEP 20 2006  
Part of  
Public Record

**FILED**  
SEP 19 2006  
SURFACE  
TRANSPORTATION BOARD

217 576

BEFORE THE  
SURFACE TRANSPORTATION BOARD



FINANCE DOCKET NO. 34927

COAST BELLE RAIL CORP.  
d/b/a  
SANTA MARIA VALLEY RAILROAD  
-- OPERATION EXEMPTION --  
LINE OF COAST BELLE RAIL, LLC

VERIFIED NOTICE OF EXEMPTION  
UNDER 49 C.F.R. § 1150.31., *ET SEQ.*

COAST BELLE RAIL CORP.  
628 South McClelland Street  
Santa Maria, CA 93454

**FILED**

SEP 19 2006

SURFACE  
TRANSPORTATION BOARD

By: SIDNEY L. STRICKLAND, JR  
ELIZABETH E. WAITE  
SIDNEY STRICKLAND AND ASSOCIATES  
3050 K Street, N.W.,  
Suite 101  
Washington, DC 20007  
(202) 338-1325

ENTERED  
Office of Proceedings  
SEP 20 2006  
Part of  
Public Record

Attorneys for Coast Belle Rail Corp.

September 19, 2006

**FEE RECEIVED**  
SEP 19 2006  
SURFACE  
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BEFORE THE  
SURFACE TRANSPORTATION BOARD

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Finance Docket No. 34927

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COAST BELLE RAIL CORP.  
d/b/a  
SANTA MARIA VALLEY RAILROAD  
—OPERATION EXEMPTION—  
LINE OF COAST BELLE RAIL, LLC

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VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 C.F.R. § 1150.31, *ET SEQ.*

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Coast Belle Rail Corp., d/b/a Santa Maria Valley Railroad<sup>1</sup> (“CBRC”), a noncarrier, files this verified Notice of Exemption, pursuant to 49 C.F.R. Part 1150, Subpart D—Exempt Transactions, with the Surface Transportation Board (the “Board”) to permit CBRC to: (1) operate the rail line owned by Coast Belle Rail, LLC (“CBRLLC”), extending between milepost 3.26, near Guadalupe, CA, and milepost 9.0 in Santa Maria, CA, including the Airbase Branch located between milepost 9A and milepost 12A (“CBRLLC Line”), and (2) lease<sup>2</sup> the rail line owned by Union Pacific Railroad Company (“UP”), extending between milepost 0.0 and milepost 3.26, including the branch between milepost 3A at Betteravia Junction southeast to milepost 4A in

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<sup>1</sup> Presently, there is a Santa Maria Valley Railroad Company that conducts the operations at issue in this proceeding. Coast Belle Rail Corp. will do business as Santa Maria Valley Railroad per agreements with the existing Santa Maria Valley Railroad Company.

<sup>2</sup> UP has agreed to the assignment of its lease with the existing Santa Maria Valley Railroad Company to CBRC.

Betteravia, CA (“UP Line”), all located in Santa Barbara County, CA (referred to collectively as the “Line”). The total distance of the Line is approximately 13.0 miles.

In accordance with the requirements of 1150.33, CBRC submits the following information:

(a.) Full Name and Address of Applicant:

Coast Belle Rail Corp.  
d/b/a Santa Maria Valley Railroad  
628 South McClelland Street  
Santa Maria, CA 93454

(b.) Applicant’s Representative:

Robert Himoto  
President  
Coast Belle Rail Corp.  
628 South McClelland Street  
Santa Maria, CA 93454  
(805) 922-7941

Sidney L. Strickland, Jr.  
Elizabeth E. Waite  
Sidney Strickland and Associates, PLLC  
3050 K Street N.W.  
Suite 101  
Washington, DC 20007  
(202) 338-1325

Attorneys for Coast Belle Rail Corp.

(c.) Statement of agreements:

An agreement has been reached between CBRLLC and CBRC for CBRC’s operation of the CBRLLC Line. Also, UP has agreed to the assignment of its lease with Santa Maria Valley Railroad Company of the UP Line between milepost 0.0 and milepost 3.26, including the branch between milepost 3A at Betteravia Junction southeast to milepost 4A in Betteravia, CA, to CBRC.

(d.) The operator of the property:

Coast Belle Rail Corp.  
d/b/a  
Santa Maria Valley Railroad  
628 South McClelland Street  
Santa Monica, CA 93454

(e.) A brief summary of the proposed transaction:

(1.) The names and addresses of the railroads granting operating authority and assigning the lease:

For the CBRLLC Line:

Coast Belle Rail, LLC  
1627 Tanglewood Drive  
San Luis Obispo, CA 93401

For the assignment to CBRC of the lease agreement with UP:

Santa Maria Valley Railroad Company  
628 South McClelland Street  
Santa Monica, CA 93454

(2.) The proposed time schedule for the consummation of the transaction:

The consummation of the proposed transaction is scheduled to take place on or soon after the date this Notice of Exemption becomes effective.

(3.) The mileposts of the subject property, including any branch lines:

CBRC will operate the following two rail lines: (1) the line owned by CBRLLC, extending between milepost 3.26, near Guadalupe, CA, and milepost 9.0 in Santa Maria, CA, including the Airbase Branch located between milepost 9A and milepost 12A, and ("CBRLLC Line"), and (2) the rail line owned by UP and being leased by assignment to CBRC, extending between milepost 0.0 and 3.26, including the branch between milepost 3A at Betteravia Junction southeast to milepost 4A in Betteravia, CA ("UP Line"), all located in Santa Barbara County, CA (referred to collectively as the "Line"). The UP Line is currently leased to SMVRR. SMVRR will assign its lease to CBRC.

(4.) The total route being acquired:

CBRC will be operating approximately 13.0 miles of rail line.

(f.) A map of the Line is attached as Exhibit A.

(g.) A Certificate of Compliance as required by 49 C.F.R. §1150.33(g) is attached as Exhibit B.

(h.) A caption summary, as required by 49 C.F.R. §1150.34, is attached as Exhibit C.

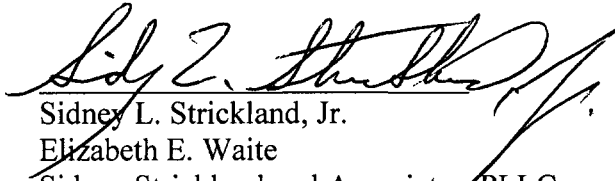
(i.) No environmental documentation is required because there will be no operational changes that would exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5) and there will be no action that would normally require environmental documentation. Hence, this Notice of Exemption does not require environmental documentation under 49 C.F.R. §1105.6(b)(4) and (c)(2)(i).

(j.) An historic report is not required because CBRC will continue to operate the Line. Further Board approval will be required for CBRC to discontinue and abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. §1105.8(b)(1).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully Submitted,

Coast Belle Rail Corp.  
d/b/a Santa Maria Valley Railroad  
628 South McClelland Street  
Santa Maria, CA 93454

A handwritten signature in black ink, appearing to read "Sidney L. Strickland, Jr.", is written over a horizontal line.

Sidney L. Strickland, Jr.  
Elizabeth E. Waite  
Sidney Strickland and Associates, PLLC  
3050 K Street N.W.  
Suite 101  
Washington, DC 20007  
(202) 338-1325

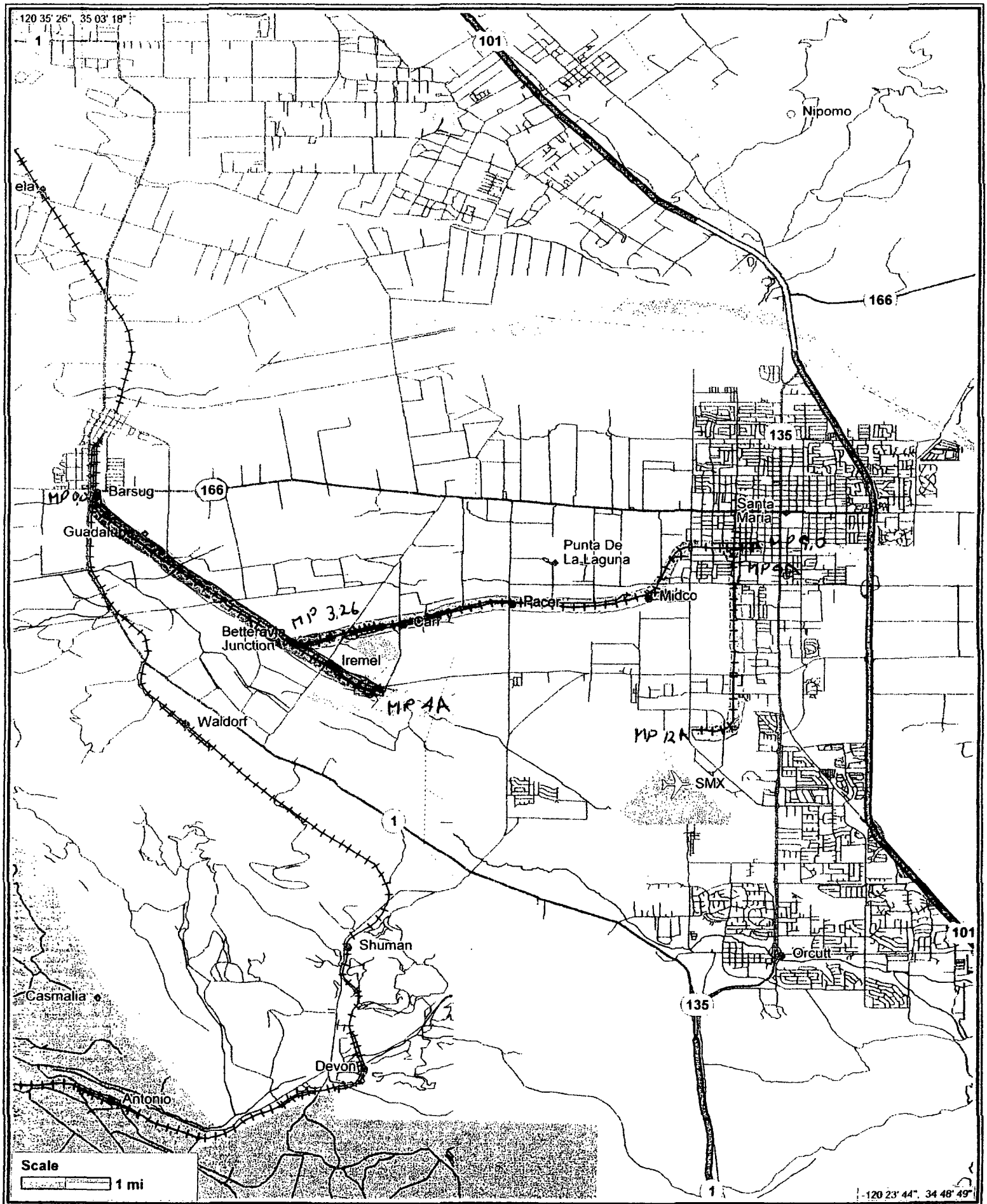
Attorneys for Coast Belle Rail Corp.

September 19, 2006

# **EXHIBIT A**



# Santa Maria Valley Railroad Right of Way



## **EXHIBIT B**

CERTIFICATION

I, Robert Himoto, being duly sworn, certify that I am President of Coast Belle Rail Corp., and that the projected annual revenues of Coast Belle Rail Corp. operations would not exceed those that would make it a Class III carrier under 49 C.F.R. § 1201 (1-1).

Robert Himoto  
Robert Himoto

State of California )  
County of San Luis Obispo ) SS.

On September 18, 2006 before me, Michelle C. Brechtel Notary Public,  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared Robert Himoto,  
Name(s) of Signer(s)

☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Print Notary Seal Above

Michelle C. Brechtel  
Signature of Notary Public

## **EXHIBIT C**

SURFACE TRANSPORTATION BOARD

Notice of Exemption

Finance Docket No. 34927

COAST BELLE RAIL CORP.  
d/b/a  
SANTA MARIA VALLEY RAILROAD  
—OPERATION EXEMPTION—  
LINE OF COAST BELLE RAIL, LLC

Coast Belle Rail Corp., d/b/a Santa Maria Valley Railroad (“CBRC”) has filed a notice of exemption to: (1) operate the line owned by Coast Belle Rail, LLC (“CBRLLC”), extending between milepost 3.26, near Guadalupe, CA, and milepost 9.0 in Santa Maria, CA, including the Airbase Branch located between milepost 9A and milepost 12A (the “CBRLLC Line”), and (2) lease the rail line owned by Union Pacific Railroad Company (“UP”) presently leased to Santa Maria Valley Railroad Company that is being assigned to CBRC, extending between milepost 0.0 and milepost 3.26, including the branch between milepost 3A at Betteravia Junction southeast and milepost 4A in Betteravia, CA, all located in Santa Barbara County, CA.

An original and 10 copies of all pleadings referring to STB Finance Docket No. 34927, must be filed with the Surface Transportation Board, Office of the Secretary, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Sidney L. Strickland, Jr., 3050 K Street N.W., Suite 101, Washington, DC 20007, (202) 338-1325.

A notice of exemption for CBRLLC to acquire the CBRLLC Line was concurrently filed in Finance Docket No. 34923, *Coast Belle Rail, LLC—Acquisition Exemption—Santa Maria Valley Railroad Company*.

The notice is filed under §1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Date: September\_\_\_\_\_, 2006

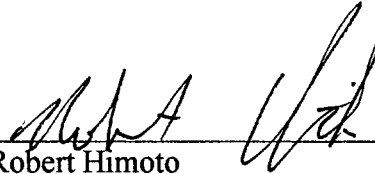
By the Board

Vernon A. Williams

Secretary

**VERIFICATION**

I, Robert Himoto, being duly sworn, depose and state that I am President of Coast Belle Rail Corp., that I am authorized to make this verification, and that I have read the foregoing notice of exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.

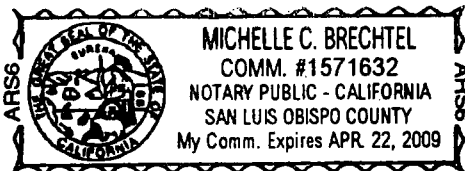
  
\_\_\_\_\_  
Robert Himoto

State of California )  
County of San Luis Obispo ) SS.

On September 18, 2006 before me, Michelle C. Brechtel, Notary Public,  
Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared Robert Himoto  
Name(s) of Signer(s)

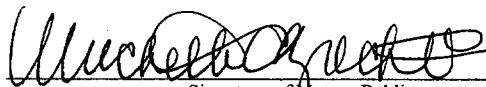
☒ personally known to me

☐ proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand official seal.

Print Notary Seal Above

  
\_\_\_\_\_  
Signature of Notary Public